ER 60-5815/2

Honorable Gordon Gray Special Assistant to the President The White House Washington, D. C.

Dear Gordon:

This is to acknowledge your letters of July 13 and 14 advising me of the President's authorization to proceed with the Joint Study Group subject to the Secretary of Defense's concurring in the terms of reference. The changes referred to in your letter of July 14th have now been concurred in by all of the principals. A copy of the terms of reference in final form is attached.

As you know, I have appointed our Inspector General, Lyman B. Kirkpatrick, Jr., as Chairman of the Joint Study Group and it has already held its first formal meeting. Starting the week of July 18 the Group will meet on a daily basis.

Sincerely.

SIGNED

Allen W. Dulles
Director

Enclosure

IG/LBK/bcw - 18 July 1960

NSC review(s) completed.

Distribution:

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THE WHITE HOUSE

WASHINGTON

July 14, 1960

Dear Allen:

In my letter of July 13, 1960, I reported that the President had authorized proceeding on the basis of the draft terms of reference for the "Joint Study Group", dated July 12, subject to the concurrence of Tom Gates.

Since then, I understand that, as a result of points raised by Tom Gates, it has been agreed that the July 12 draft terms of reference should be modified by deleting the word "positive" in the third line of paragraph 1, and adding a new sentence at the end of paragraph 3, reading: "Any actions to implement approved recommendations shall be the exclusive responsibility of the heads of the departments or agencies directly concerned."

Since these changes do not appear to modify materially the draft shown to the President, I believe you are fully authorized to proceed on the basis of the revised terms of reference.

As in the case of my July 13 letter, I am also sending copies of this letter to the Secretary of State, the Secretary of Defense and the Director, Bureau of the Budget.

Gordon Gray
Special Assistant to the President

Honorable Allen W. Dulles Director of Central Intelligence

THE WHITE HOUSE

WASHINGTON

July 13, 1960

Dear Allen:

This is to confirm our conversation today about the draft terms of reference for the "Joint Study Group."

The President read the draft terms dated 12 July with considerable care. I told him that it had had the concurrence of all interested agencies and department heads except Tom Gates, who had not had time to get into it although his staff was in agreement with the draft terms.

The President authorized us to proceed subject of course to having the concurrence of Tom Gates.

You assured me today that Tom Gates had concurred and in this event the President's reservation has been eliminated.

It would seem, therefore, that you should proceed.

I am taking the liberty of sending copies of this letter to the Secretary of State, Secretary of Defense and the Director, Bureau of the Budget.

Sincerely,

Gordon Gray
Special Assistant to the President

Honorable Allen W. Dulles Director of Central Intelligence

cc: Secretary of State Secretary of Defense

Director, BOB Approved For Release 2007/01/17 : @IA-RDP\$6B00269R000200060007-6

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Alternate amended version, suggested by Mr. Kirkpatrick

DRAFT

Limited Distribution

12 July 1960

DRAFT TERMS OF REFERENCE

JOINT STUDY GROUP

1. To promote the most effective and efficient use of intelligence resources and to assist the DCI in carrying out his responsibilities for coordinating the foreign promoters intelligence activities of the US Government, an Ad Hoc Study Group is established by agreement of the following Principals, who will be represented on the Group:

The Director of Central Intelligence, who will provide the Chairman

The Secretary of State

The Secretary of Defense

The Director, Bureau of the Budget

The Special Assistant to the President for National Security Affairs

The President's Board of Consultants on Foreign Intelligence Activities will have a representative sit as an observer on the Joint Study Group and the Board will be given an opportunity to comment on the Group's report.

- 2. The Group, under the direction of the DCI, shall concentrate its attention primarily upon organizational and management aspects of the following areas within the intelligence effort. For this purpose all aspects of foreign intelligence shall be within the purview of the Group.
 - a. Inter-departmental, departmental, agency and military service procedures for handling of intelligence requirements and related guidance to collectors -- with particular attention to:
 - (1) Procedures for keeping down the volume of, and avoiding any unprofitable duplication in, such guidance, and the feasibility of establishing a central registry of outstanding intelligence requirements and of collection responses thereto.
 - (2) Inter-departmental arrangements for selective levying of requirements on the most appropriate collection facility or facilities.
 - b. USIB arrangements for:
 - (1) Ensuring rapid adaptation, adjustment or re-direction of existing collection assets to meet changes in current priority requirements, and for deciding upon and supporting expansion of existing collection facilities or development of new facilities needed to meet new agreed high-priority requirements.

- (2) Periodic community evaluation (including the appraisal of dollar and man-year inputs) of the foreign intelligence effort as a whole -- with particular attention to improving the total program balance, from the geographic and functional points of view, and to increasing efficiency and eliminating any unprofitable duplication in the utilization of intelligence resources.
- c. The present military intelligence coordinating machinery and its relationship to the intelligence community -- with particular attention to possibilities for closer integration under the authority of the Department of Defense Reorganization Act of 1958.
- d. The effectiveness of current implementation of intelligence coordination directives and procedures -- with special attention to the field coordination of overseas intelligence activities, and to community support for the intelligence needs of senior US representatives abroad, including military commanders.
- e. Present arrangements for coordinating research and development conducted in support of the foreign intelligence effort and for determining the intelligence community interest in, and providing support to, any R & D for other primary purposes which may also have significant potential usefulness to intelligence.
- 3. The Group shall present, by 15 December 1960, its findings and recommendations for appropriate action to the DCI for consideration by the Principals, after which time it shall be dissolved. Any actions to implement approved recommendations shall be the exclusive responsibility of the heads of the departments or agencies directly concerned.

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MEMORANDUM FOR: Mr. Dulles

We have just received word from Jimmy Lay that Mr. Gray concurs with our proposed change in the draft terms of reference -- "any action to implement approved recommendations shall be the exclusive responsibility of the heads of the departments or agencies directly concerned."



(DATE)

FORM NO. 101 REPLACES FORM 10-101 1 AUG 54 101 WHICH MAY BE USED.

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